



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

PROOF

**NATIONAL BROADBAND
NETWORK COMPANIES BILL 2010**

**TELECOMMUNICATIONS LEGISLATION
AMENDMENT (NATIONAL BROADBAND
NETWORK MEASURES—ACCESS
ARRANGEMENTS) BILL 2010**

Second Reading

SPEECH

Monday, 28 February 2011

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

Date Monday, 28 February 2011
Page 70
Questioner
Speaker Rishworth, Amanda, MP

Source House
Proof Yes
Responder
Question No.

Ms RISHWORTH (Kingston) (5.12 pm)—I am very pleased today to rise and speak in favour of the National Broadband Network Companies Bill 2010 and the Telecommunications Legislation Amendment (National Broadband Network Measures—Access Arrangements) Bill 2010. It was interesting to hear the member for Bradfield provide a bit of a smoke and mirrors performance there, hiding the fact that the opposition has absolutely no plan when it comes to providing access to broadband around this country. We heard a lot from the member for Bradfield about competition. Listening to the member for Bradfield you would think that he thought the current arrangements under Telstra provided a very competitive marketplace. Perhaps he needs to come and speak to the many people in my electorate about the problems with pared gains in Hallett Cove, Reynella and Aldinga or the problems with extending past RIMs in Woodcroft. All these issues have prevented many, many people from being able to access broadband. Why? The vertical integration of Telstra, providing a very uncompetitive market place. This has stopped many people in my electorate from being able to access any broadband at all and has held back many small businesses. In fact, the Southern Economic Development Board puts lack of broadband as one of the No. 1 impediments to being able to grow economically in the south. If the member for Bradfield is trying to convince us that it is a very competitive playing field out there now, he is absolutely wrong.

I welcome the opportunity to address this parliament in relation to these critical pieces of legislation. They will deliver on this government's commitment to establish a wholesale-only company to build and operate a superfast broadband network on an open and equivalent access basis. This is a key, competitive part of our proposal—that companies will be able to compete competitively to provide retail services. They will not be in a situation where they want to provide services but are locked out of the market and unable to use infrastructure. It will be an open network where companies will be able to compete on an equivalent basis.

The NBN has been developed in response to an industry failure to invest in superfast broadband and to provide a platform for effective competition in the retail market. The passage of this legislation will ensure for the first time that we have a

competitive telecommunications market to provide affordable and modern internet facilities to families and businesses around the country. The National Broadband Network Companies Bill 2010 establishes governance, ownership and operating arrangements related to NBN Co. It acknowledges that NBN Co. is subject to the same regulatory framework as other licensed carriers and goes further by legislating that this company must remain true to its wholesale only mandate and provide access to the NBN to all telecommunication retail service providers on open and equivalent terms. By focusing on and limiting NBN Co. to wholesale only telecommunications this bill prohibits this company from involvement in the retail market, thereby protecting against the kind of market monopolisation that we have seen in the past. Ultimately, this will mean more choice and more affordable prices for better quality services.

Until now Telstra's dominance in both the retail and wholesale markets has stifled technological progress. The ACCC, in 2003, said:

... Telstra is in a position to largely dictate the type of services that consumers will be able to access and the time at which these services become available.

I cannot count the number of times that constituents in my electorate of Kingston have come to me with concerns about the price and quality of products provided to them. Often these customers do feel helpless because of the monopolised network. These bills will ensure that we do not repeat the mistakes of the past. While the Telecommunications Legislation Amendment (Competition and Consumer Safeguards) Bill 2010 will ensure that the wholesale and retail arms of Telstra are separated, the bills before this House today will ensure that the new NBN Co. will operate as an open wholesale only network encouraging competition and delivering good value services to consumers.

The NBN Companies Bill also provides for the Commonwealth to retain full ownership of the NBN Co. until such time as the NBN is built and declared fully operational by the Minister for Broadband, Communications and the Digital Economy. This will ensure that the best interests of all Australians, including those in rural and regional areas, are considered at length before any sales occur. This will not allow NBN Co. to go down the same

track that Telstra did, leaving significant parts of rural and regional Australia lagging behind the rest of the country. These requirements will enable this government to deliver on its promise to connect 93 per cent of homes, schools and workplaces to fibre-to-the-premise infrastructure and to connect the remaining premises to next generation wireless and satellite technologies.

These bills are about ensuring that all Australians have access to fast and affordable modern internet facilities. The NBN access bill, which is also before the House today, ensures that NBN Co. must provide access to the NBN to all telecommunications retail service providers on an open and equivalent basis. Customers will reap the benefits of this increased market competition. Importantly, this legislation renders all services provided by NBN Co. declared, meaning that all services will be subject to more rigorous and robust standard access obligations than is usually required. All services provided by NBN Co. will therefore be subject to supply and equivalency requirements as well as ACCC oversight.

The NBN access bill is about ensuring that services are provided to carriers in a non-discriminatory manner and with a high level of transparency so that we can create a more level playing field for all retail service providers. NBN Co. must offer equal terms and conditions to all access seekers. NBN Co. will only be able to discriminate on limited grounds, such as credit worthiness, and if that discrimination aids efficiency. Any such discriminations will be subject to further scrutiny and only permissible if all access seekers are presented with the opportunity to accept similar variations in terms and conditions. Should NBN Co. be found to be in breach of its equivalence obligations, retail service providers can seek compensation through the Federal Court. Together these bills will promote competition in the telecommunications retail market, thereby ensuring that this government delivers on its promise to provide better and more equitable broadband facilities to families and businesses around the nation.

I want to talk about the importance of the NBN generally. We regularly hear the opposition say, 'No, we're going to stop the NBN; we don't like the NBN,' but they provide absolutely no alternative. This government understands that access to affordable high-speed broadband is essential to the way Australians communicate and do business. We have heard a lot about wireless versus fixed line broadband. This is a dichotomy that the opposition regularly put up. They say, 'Why have fixed line broadband when we can have wireless?' But these two technologies are completely complementary.

When you look at some of the wireless technologies around the place you see wireless towers. What do you think actually transmits the data to those towers? It is fibre optics. That is what actually does the large amount of data transmission across this country. You cannot say, 'Don't invest in a fibre network; we'll have wireless.' There is no way to encourage wireless if there is no fibre to get it to the towers. These are two complementary options. Many people who are experts in the telecommunications industry have made it clear that wireless will not substitute for fixed broadband.

The majority of the things that we want to do in the future, whether they are high-speed health consultations over the internet or high-definition videoconferencing or things like that, cannot be done over a wireless network. These things will be very important, and the majority of the data that is transmitted around Australia will need to be done by fibre optics. The government are not opposed to wireless. We think investment in wireless technology is really important, but it is complementary to our National Broadband Network and should not be instead of it. The opposition are grasping at straws when it comes to accessing fast internet services, because they seem to be looking at any excuse not to support the National Broadband Network but have no alternative to get fast broadband for businesses, for education and for health services in the community.

The NBN will help drive Australia's productivity, improve education and health service delivery and connect our cities and regional centres. The NBN Co. will invest up to \$43 billion over eight years to fund the rollout and operation of this historic piece of nation-building infrastructure. This is about more than just fast interconnection and fast emails. It is about increasing our productivity and the benefits that will continue to flow for decades to come. The NBN will increase our economic growth as a nation, but it will also revolutionise the way individuals and businesses all around Australia use the internet.

From speaking to small businesses in my electorate of Kingston, I know that the community is extremely excited about the possibilities that going live will present. Willunga is a town located 50 kilometres south of the Adelaide CBD and home to world renowned wineries and food producers. This town is one of the first release sites and we have seen 90 per cent of residents opt to take up the connection of fibre to their homes. We have seen businesses getting excited, having meetings and looking at the potential this will have. One particularly exciting option, which I have spoken about in this House before, will be the opportunity for cutting-edge videoconferencing. One of the winemakers I have spoken to has seen the very exciting opportunity that it will present. High-

definition videoconferencing will allow the winemaker to sit in his winery in McLaren Vale and taste the wine with his buyers in New York. He will not have to leave the winery; he can sit there and drink each wine with his buyers in New York on videoconferencing. He says he will be able to expand significantly his client base in places all around the world, and this is critical for the McLaren Vale region. Many other businesses are talking about how they will use this to increase the number and variety of orders they can take and increase their efficiency. This is very exciting for local small businesses in my electorate. The opposition call themselves the party of small business. If they really are they would get on board and support the NBN. Small business in my electorate is certainly excited, as are many others.

These two pieces of legislation before the House are very important for the regulatory framework and scrutiny of the NBN Co. They complement the legislation for the structural separation of Telstra that occurred in the last sitting week last year. Together they will take this government's plan for high-speed broadband one step further. I hope that the opposition at some point will see sense when it comes to the National Broadband Network. I was surprised that in my electorate they campaigned against the Broadband Network. I thought that was quite an odd thing to do, considering just how popular the National Broadband Network is—and, more than popular, it is in the national interest. It is critical infrastructure that will have a huge impact on my region, on Kingston, but also around the country. If the opposition cannot get a policy on the National Broadband Network—well, they have got a policy: they are going to oppose it, but if they cannot find an alternative policy—then perhaps they should just get on board, stop their opposition and support this very important piece of national infrastructure.